



Least Developed Countries Fund (LDCF) Special Climate Change Fund (SCCF)

Programming Strategy and
Operational Improvements (2022-2026)

NAP Workshop for Asia-Pacific LDCs
Siem Reap, Cambodia
July 2022



PROCESS FOR THE DEVELOPMENT OF THE GEF PROGRAMMING STRATEGY ON ADAPTATION TO CLIMATE CHANGE (2022-26)



Donors

Recipients / Least Developed Countries

Non-donor recipient countries

GEF Agencies

UNFCCC Secretariat

Other stakeholders

GCF, AF, private sector and CSOs

Trustee

The strategy development is informed by

**UNFCCC COP
guidance**

**Complementarity
and coordination
with Green
Climate Fund and
others**

**Opportunities for
synergy with
GEF Trust Fund**

Science

**IEO Evaluations
of LDCF and
SCCF**

**Input from
stakeholders**
e.g. Donors,
recipient countries,
GEF Agencies,
UNFCCC
Secretariat

HIGHLIGHTS



To facilitate transformational adaptation in developing countries, towards achieving the Paris Agreement's global goal on adaptation



Build on strengths and value to address gaps, be innovative, inclusive, and agile



Major upgrading opportunity to catalyze transformational adaptation and contribute to Paris Agreement Global Goal on Adaptation



Positioned to generate and track multiple benefits and mobilize finance at scale, with GEF Trust Fund, GCF, and others



Informed by science and priorities, contributing to action and ambition in response to IPCC call for urgency

LDCF/SCCF Priority themes for 2022-2026



Agriculture, food security and health

*Heightened focus on
community wellbeing*

1



Water

*Continued support to
capture, store, conserve and
enable easier and more
reliable access to water*

2



Early warning and climate information systems

*Expand access and strive
for greater user uptake*

3



Nature-based solutions

*High potential to
deliver adaptation*

4



Least Developed Countries Fund (LDCF)

Programming strategy

Theory of Change for the LDCF

PROBLEM STATEMENT

Climate change is leading to increased vulnerabilities of key social, natural and economic systems in LDCs

INTERVENTION AREAS

Key themes



Intervention scales

- Ecosystem-based
- Landscape and value-chain based
- Regional, rural, urban and coastal

OUTPUTS

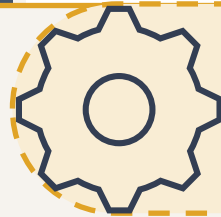
- Adaptation solutions in key economic sectors
- Institutional capacity for planning and implementation
- Policy and financial frameworks
- Innovation and private sector action
- Strong local organizations and communities
- Global partnerships

OUTCOMES

- Climate resilient communities, ecosystems, value-chains and regions in LDCs
- Improved capacity and access to adaptation solutions and finance
- Inclusive and sustainable adaptation achieved with a whole-of-society approach
- Adaptation finance and innovative solutions catalyzed with private sector

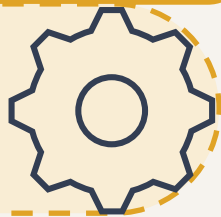
GOAL

Transformational adaptation enabled to meet Paris Agreement's global goal on adaptation



TRANSFORMATION LEVERS

Policy coherence and climate mainstreaming
Knowledge exchange and collaboration
Strengthened governance



Cross-cutting Considerations : Gender Equality; Youth Empowerment

LDCF priority areas for 2022-2026

PRIORITY AREA 1

Scaling up finance

- *Policy coherence*
- *Institutional capacity*
- *Innovative financing mechanisms*
- *Tools and metrics*

PRIORITY AREA 2

Strengthening innovation and private sector engagement

- *Technology transfer and innovation*
- *MSME incubation and acceleration*
- *Inclusive microfinance*
- *Risk sharing to catalyze private investment*
- *Enabling private sector action*

PRIORITY AREA 3

Fostering partnership for inclusion & whole-of-society approach

- *Institutional strengthening and capacity building at all levels*
- *Partnerships with local organizations and systems to address social equity*
- *Innovative financing opportunities to support whole-of society approach*
- *Thought leadership through global partnerships and fostering enabling environment*



Agreed LDCF Resource Mobilization Modality

1

Replenishment

Transition to replenishment model, if viable and of interest to donors.

- *Highest predictability*
- *Impact on donors with intermittent contributions*
- *Fundamental operational change: feasible by July 2022?*

2

Status quo

Maintain voluntary contribution modality, as is.

- *Least predictability*
- *May enable extra or intermittent contributions*
- *Requires no changes to operations*

3

Multi-year pledging

Move to multi-year pledging, with voluntary contributions.

- *Somewhat enhanced predictability*
- *Need broad donor commitment*
- *May enable extra or intermittent contributions*
- *Requires no changes to operations*

4

Other?

Other options to consider?



LDCF Financing Scenarios

FLOOR

SCENARIO A

Total: \$1 billion

SCENARIO B

Total: \$1.3 billion

Initial Cap per Country
(46 LDCs at \$20 million
initial cap per country)

\$920M



Dedicated programs \$8M

Administrative expenses \$9M

Reserve to go
beyond initial cap for
national projects

\$193M

Challenge Program
for Adaptation
Innovation

\$30M

\$40M

Regional and
global projects
and initiatives

\$33M

\$130M

LDCF/SCCF

Additional operational improvements



Operational improvements and impacts

OLD

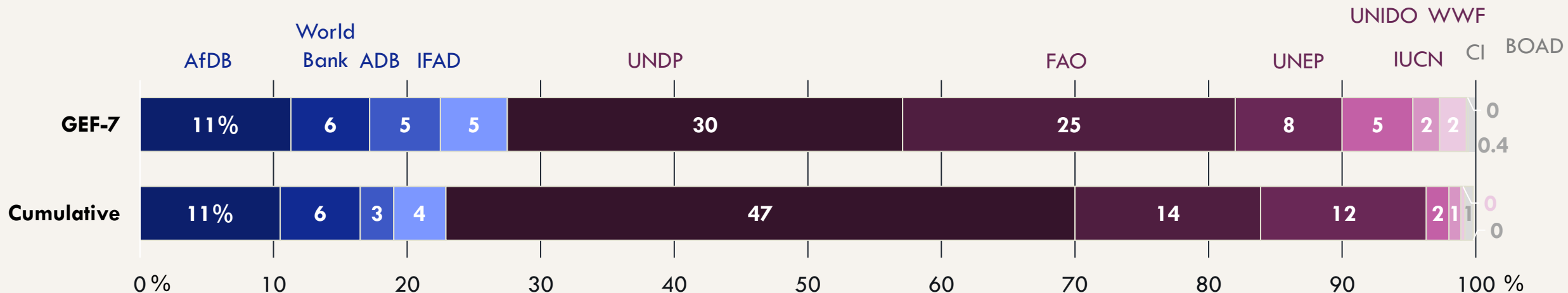
- Rolling approval of projects
- First-come, first-served
- No prioritization
- Limited multi-trust fund programming
- Pipeline with long wait (2+ years)

GEF-7

- Work Programs
- Strategic prioritization
- Multi-trust fund programming enabled
- No more pipeline
- Significantly reduced wait time
- More balanced agency share
- \$10 million initial cap by LDC
- 10% for global/regional initiatives from LDCF

GEF-8

- GEF-7 improvements
- Rio Markers for Climate Change, Biodiversity and Desertification
- Country resource cap modality for LDCF (\$20 million) and for SCCF
- Major initiatives and regional/global efforts from agreed 10% cap for LDCF
- Further synergy with GEF TF
- Aspirational MDB targets and ceiling to address agency concentration



Results framework for the LDCF and SCCF

- Several Core Indicators aligned with those of other international financial mechanisms for climate adaptation
- Expanded list of sub-indicators associated with private sector engagement
- Meta-information will also be captured

Core indicators



Sex-disaggregated



Age-segregated

Number
of direct
beneficiaries



1

(a) Area of land
managed for climate
resilience (ha),

(b) Coastal or marine
area managed for
climate resilience (ha)

2

Total number of
policies, plans, and
frameworks that will
mainstream climate
resilience

3

Number of
people trained
or with awareness
raised



4

Number of private
sector enterprises
engaged in climate
change adaptation
and resilience action

5

Dedicated programs



Communications and Visibility Enhancement

4-year plan with a dedicated communication strategy & financial/human resources

\$2 million from LDCF
\$0.5 million for SCCF



Outreach and Capacity Support for LDC and SIDS Planning and Programming

Enhanced support to LDCs/SIDS on project upstream workshops, investment planning, etc.

\$4 million from LDCF
\$1 million from SCCF



Organizational Learning and Coordination

Dedicated program on learning and coordination at the fund and portfolio levels.

\$2 million from LDCF
\$0.5 million from SCCF

Day 2

Collaboration with other funds



PROGRAMMING STRATEGY

Close alignment with projects and programs of the GCF, Adaptation Fund, GEF Trust Fund and LDCF to mobilize finance at scale



AGREEMENT AND ACTIVITIES

LDCF & SCCF develop major initiatives and supports joint national investment planning with GCF

LDCF & SCCF catalyze innovation and private sector action to enable broader investment by other funds



CLIMATE FUNDS COLLABORATION PLATFORM

A foundation for exchanging ideas and cross-learning on results, indicators and methodologies.

Adaptation Fund, CIF, GCF, NAMA Facility, GEF, LDCF, and SCCF engaged





Thank you



Burkina Faso